

Message Text

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PAGE 01 PORT A 01811 192202Z
ACTION OPIC-06

INFO OCT-01 ARA-06 ISO-00 EB-07 /020 W
-----200259Z 092696 /64
R 192122Z MAY 77
FM AMEMBASSY PORT AU PRINCE
TO SECSTATE WASHDC 5011

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EO 11652 N/A
TAGS: EFIN
SUBJECT: HAITIAN AMERICAN MEAT AND PROVISION CO. (HAMPCO)

REF: (A) STATE 102742, (B) STATE 110343

1. SUMMARY: THE EMBASSY WOULD RECOMMEND OPIC FINANCING FOR HAMPCO'S PROPOSED PLANT EXPANSION SHOULD THE GOH PROVIDE THE NECESSARY CONTRACT EXTENSION. THE MINISTER OF COMMERCE TOLD AN EMBASSY OFFICER IN JANUARY THAT GOH IS UNWILLING TO EXTEND THE CONTRACT. GOH ATTITUDE MAY REFLECT SIMPLE INEPTITUDE BUT COULD ALSO BE REACTION TO SERVBEST NEGOTIATING TACTICS WHICH HAVE AROUSED LOCAL RESENTMENT. EMBASSY RECOMMENDS THAT OPIC TABLE SERVBEST'S APPLICATION UNTIL THE LATTER CAN STRAIGHTEN OUT ITS CONTRACT NEGOTIATIONS. END SUMMARY

2. SERVBEST HAS BEEN TRYING TO NEGOTIATE A CONTRACT EXTENSION FOR ITS HAITIAN SUBSIDIARY, HAMPCO, FOR NEARLY A YEAR. WILLIAM KENTOR, PRESIDENT OF SERVBEST, CALLED ON EMBASSY OFFICERS IN JANUARY, DISCUSSED HIS DIFFICULTIES, AND ASKED FOR AN INDICATION OF EMBASSY INTEREST. THE EMBASSY'S ECONOMIC OFFICER CALLED ON THE MINISTER OF COMMERCE AND INQUIRED ABOUT THE STATUS OF THE NEGOTIATIONS. THE MINISTER SAID THAT THE GOH WOULD FAVOR THE EXPANSION OF THE HAMPCO PLANT BUT WILL NOT EXTEND THE CONTRACT. THIS WAS RELAYED TO SERVBEST VIA HAMPCO'S RESIDENT
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MANAGER. THE INFORMATION WAS PROVIDED ALSO TO MEMBERS OF THE ILLINOIS CONGRESSIONAL DELEGATION WHEN THEY INQUIRED ABOUT THE STATUS OF THE NEGOTIATIONS ON SERVBEST'S BEHALF.

3. ON BALANCE, THE EMBASSY BELIEVES THAT HAMPCO'S PLANT EXPANSION MIGHT BE SUITABLE FOR OPIC FINANCING BECAUSE

HAMPCO IS WELL ESTABLISHED HERE, EMPLOYS ABOUT 150 PEOPLE, SUPPLIES LOCAL MARKETS WITH MEATS BUTCHERED IN SANITARY FACILITIES, AND EARNS SOME FOREIGN EXCHANGE WITH ITS 1.9 MILLION POUNDS OF MEAT EXPORTS TO THE U.S. MOREOVER, ITS ENLIGHTENED MANAGEMENT PROMOTES IMPROVED FARMING PRACTICES WITH A VARIETY OF INCENTIVES, INCLUDING FREE STUD SERVICE TO PIG FARMERS AND FREE FERTILIZER TO NEARBY CROP FARMERS. HOWEVER, MEAT EXPORTS FROM HAITI WITH ITS MALNOURISHED POPULATION ARE POLITICALLY SENSITIVE AND HAMPCO PROVIDES A TEMPTING TARGET TO LOCAL DEMAGOGUES. HAMPCO HEADS OFF MOST UNFAVORABLE PUBLICITY BY STRESSING THAT IT ONLY EXPORTS MEAT SURPLUS TO LOCAL DEMAND. BUT IN ADDITION, IT APPEARS THAT THE NEGOTIATING TACTICS OF SERVBEST'S MANAGEMENT ARE BEGINNING TO AROUSE GOVERNMENTAL ANIMOSITY AND THE CONTRACT MAY NOT BE EXTENDED.

4. INASMUCH AS SERVBEST STATES THAT THE CONTRACT EXTENSION IS ESSENTIAL, THE EMBASSY RECOMMENDS THAT OPIC TABLE THE APPLICATION FOR FINANCING UNTIL IT IS OBTAINED.
ISHAM

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PRIVATE INVESTMENTS, NEGOTIATIONS, CONTRACTS, INDUSTRIAL PLANTS, LOANS, MEATS
Control Number: n/a
Copy: SINGLE
Sent Date: 19-May-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977PORTA01811
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Document Unique ID: 00
Drafter: n/a
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Executive Order: N/A
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Format: TEL
From: PORT AU PRINCE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770539/aaaabhpf.tel
Line Count: 83
Litigation Code IDs:
Litigation Codes:
Litigation History:
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Message ID: bbd6cc8f-c288-dd11-92da-001cc4696bcc
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Original Classification: LIMITED OFFICIAL USE
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Original Previous Classification: n/a
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